

ABSTRACT

A method for determining weightings of an investment portfolio selected from a range of domestic and international financial investments is illustrated in figure 1. The method commences (step 1) with dividing of the range of domestic and international

- 5 financial investments into a plurality of groups, for example industry based groups. Step 2 of this method involves selecting one of the industry based groups. It is then necessary (step 3) to define a variable referred to in this document as the required_industry_weighting for the selected industry based group. This variable represents the preferred weighting which the investor proposes to give the selected
- 10 industry group within the investment portfolio. Next (step 4) it is necessary to determine a variable referred to in this document as the available_domestic_weighting for the selected industry based group. In an embodiment a domestic index is used to determine the available_domestic_weighting, for example the ASX/S&P 200 index. Step 5 involves a consideration as to whether the available_domestic_weighting equals or exceeds the
- 15 required_industry_weighting. If the comparison of step 5 determines that the available_domestic_weighting is equal to or exceeds the required_industry_weighting then the calculation of the mixture takes place at step 5A whereby the mixture consists exclusively of domestic financial investments. If the comparison of step 5 determines that the available_domestic_weighting is less than the required_industry_weighting then
- 20 the calculation of the mixture takes place at step 5B whereby the mixture consists of: domestic financial investments having a weighting substantially equal to said available_domestic_weighting, and; international financial investments having a weighting substantially equal to the required_industry_weighting minus the available_domestic_weighting. This procedure is repeated until mixtures have been
- 25 calculated for all of the groups.